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EJS

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

In re DLI Engineering Corporation

Serial No. 75/725,582

Donald L. Otto of Renner, Otto, Boisselle & Sklar, LLP for
DLI Engineering Corporation

Rebecca Gilbert, Trademark Examining Attorney, Law Office
113 (Meryl Hershkowitz, Managing Attorney)

Before Seeherman, Hairston and Bucher, Administrative
Trademark Judges.

Opinion by Seeherman, Administrative Trademark Judge:

DLI Engineering Corporation, dba PREDICT/DLI, has applied to register SMARTMACHINE TECHNOLOGIES for "computer software and hardware for predicting and communicating maintenance needs for industrial machinery."¹ Applicant has offered a disclaimer of SMART MACHINE which has not been accepted by the Trademark Examining Attorney. Instead, the

¹ Application Serial No. 75.725,582, filed July 8, 1999, and asserting a bona fide intention to use the mark in commerce.

Examining Attorney has refused registration pursuant to Section 2(e)(1) of the Trademark Act on the ground that applicant's mark is merely descriptive of its identified goods. Registration has also been refused pursuant to Section 2(d) of the Act on the ground that applicant's mark so resembles the mark SMART MACHINES, (with the word SMART disclaimed), previously registered for "computer programs and programs [sic] manuals all sold as a unit"² that, if used on applicant's identified goods, it is likely to cause confusion or mistake or to deceive.

Applicant has appealed. Both applicant and the Examining Attorney have filed appeal briefs, but an oral hearing was not requested.³

We turn first to a consideration of the Section 2(e)(1) refusal. It is the Examining Attorney's position that SMARTMACHINE TECHNOLOGIES is merely descriptive of applicant's computer software and hardware because it "is descriptive of a feature, function, use and purpose of the applicant's goods; the applicant's computer hardware and

² Registration No. 1,468,041, issued December 8, 1987; Section 8 affidavit accepted; Section 15 affidavit received.

³ In her appeal brief the Examining Attorney notes certain other applications assertedly filed by applicant. These applications were never made of record, nor even alluded to during the examination of the application, and the reference to them in the Examining Attorney's brief is manifestly untimely. See Trademark Rule 2.142(d).

software use technology (the application of science to industrial or commercial objectives) to predict and communicate maintenance needs for smart machines in industry." Brief, p. 8. In support of this position the Examining Attorney has made of record a dictionary definition of "technology" (a. "the application of science, especially to industrial or commercial objects"; b. the scientific method and material used to achieve a commercial or industrial objective");⁴ excerpts from the NEXIS database showing the term "software" used in connection with "smart machine(s)";⁵ and 19 third-party registrations⁶ in which the word TECHNOLOGY or TECHNOLOGIES has been disclaimed.⁷ The Examining Attorney has also requested in her appeal brief that we take judicial notice of the following

⁴ The American Heritage Dictionary of the English Language, 3d ed. © 1992.

⁵ For example, "software could transform today's dumb appliances into smart machines" ("U.S. News & World Report," December 1, 1997); "The most critical mission for these smart machines will be manning the Star Wars shield. But writing the millions of lines of software that will tell them when to press the button is no easy task." ("The Nation," November 28, 1988).

⁶ The Examining Attorney indicates that 18 registrations were made of record, but our review of the file finds 19 registrations.

⁷ See, for example, Reg. No. 2,352,288 for NOVALIS TECHNOLOGIES and design for computer software, namely, modules to manage and analyze land records, namely, information relating to land title, property evaluation, mapping and land-use planning.

dictionary definition for "smart machine," which request we hereby grant:⁸

Any device which uses a microprocessor to evaluate the input and make decisions about which path to take. For example, a smart car headlight can be designed to automatically monitor the level of external light. When it becomes sufficiently dark outside, the microprocessor switches on the driving lights, and continues to monitor the environment in order to switch the light off when the sun rises (conditional on the ignition system being turned on).⁹

The Examining Attorney also points out that in the application as originally filed applicant identified its goods as "computer software, hardware and/or technology for predicting and communicating maintenance needs for industrial machinery." However, because the identification has been amended, and now contains no reference to "technology," the original identification is of no moment. We must determine the issue of descriptiveness with respect to the goods as currently in the identification, not with respect to items that have been deleted from the identification.

⁸ The Board may take judicial notice of dictionary definitions. **University of Notre Dame du Lac v. J. C. Gourmet Food Imports Co., Inc.**, 213 USPQ 594 (TTAB 1982), aff'd, 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983). We also point out that applicant has not objected to the Examining Attorney's request.

⁹ Prentice Hall's Illustrated Dictionary of Computing, 3d ed. © 1998).

A mark is merely descriptive, and therefore prohibited from registration by Section 2(e)(1) of the Act, if it immediately conveys knowledge of the ingredients, qualities, or characteristics of the goods with which it is used. A mark is suggestive, and therefore registrable, if imagination, thought, or perception is required to reach a conclusion on the nature of the goods. **In re Gyulay**, 820 F.2d 1216, 3 USPQ2d 1009 (Fed. Cir. 1987). It has been recognized that there is but a thin line of distinction between a suggestive and a merely descriptive term, and it is often difficult to determine when a term moves from the realm of suggestiveness into the sphere of impermissible descriptiveness. **In re Recovery, Inc.**, 196 USPQ 830 (TTAB 1977), and cases cited therein.

There is no doubt that SMARTMACHINE is a descriptive term as applied to applicant's goods. Applicant has acknowledged this by offering a disclaimer of SMART MACHINE. However, the question before us is whether SMARTMACHINE TECHNOLOGIES as a whole is merely descriptive of computer software and hardware for predicting and communicating maintenance needs for industrial machinery. The word TECHNOLOGIES, although it has been disclaimed in many third-party registrations, is an amorphous term. The dictionary definition submitted by applicant—the

application of science, especially to industrial or commercial objectives—is rather vague, and does not clearly show that the term is descriptive. See **In re Hutchinson Technology**, 852 F.2d 552, 7 USPQ2d 1490, 1492 (Fed. Cir. 1988) (“the fact that the term ‘technology’ is used in connection with computer products does not mean that the term is descriptive of them”). When TECHNOLOGIES is combined with SMARTMACHINE in the mark SMARTMACHINE TECHNOLOGIES, we are hard-pressed to articulate how this mark immediately and directly conveys knowledge of the characteristics of the goods with which it is used. Although “technology” is involved in computer software and hardware, we are not persuaded on this record that consumers of applicant’s computer software and hardware will immediately understand, upon seeing the mark used in connection with goods, a function, purpose or use of the goods. In the context of the mark, TECHNOLOGIES has no more definite meaning than “know-how.”

As stated previously, the courts have long recognized that it is frequently difficult to determine when a mark is suggestive, and when it is merely descriptive. See **In re Gyulay**, supra. Accordingly, it is a well-established practice that, where reasonable people may differ, doubt

must be resolved in the applicant's favor. **In re The Gracious Lady Service, Inc.**, 175 USPQ 380 (TTAB 1972).

Therefore, we reverse the refusal of registration on the ground of mere descriptiveness.

We think it appropriate to comment on the concurring opinion's view that SMARTMACHINE TECHNOLOGIES is merely descriptive. Much of that view appears to be based on material which is not in the record. For example, the concurring opinion refers to applicant's web page, but no material from that web page, or even the url address, is in this record. The concurring opinion also states, in the first paragraph, the following:

Applicant has developed diagnostic systems that can be customized for use by original equipment manufacturers that want to take advantage of state-of-the-art, predictive maintenance technologies. Sensors integrated into the machinery can detect, for example, changes in vibration, oil and wear particles. Applicant touts the fact that when these advanced diagnostics are combined with expert systems, the resulting smart machine can communicate directly with on-site managers, expert mechanics, or even the machine's vendor at a remote location.

However, we can find no such evidence in the record. The application is based on an intent-to-use the mark, and does not even include specimens. Applicant has not described its computer software and hardware, except as indicated in

its identification of goods, and to say that applicant's identified computer software and hardware are integrated to predict and communicate maintenance needs for industrial machinery. There is no indication in this record that applicant has developed diagnostic systems that can be customized for use by original equipment manufacturers, or that sensors are integrated into machinery which then detects changes in vibration, oil and wear particles. Nor is there anything in this record which shows that applicant touts anything about its products.

Our job as Trademark Trial and Appeal Board Administrative Trademark Judges is to consider the record created by the applicant and the Examining Attorney when we rule on the propriety of a refusal. It is not our job to act as Super-Examiners. We might well have come to a different conclusion on the issue of mere descriptiveness on a different record. However, it is the record before us on which our determination must be based, and on the actual record we find that the Office has not met its burden of proving that applicant's mark is merely descriptive of its goods.

This brings us to the second basis for refusal, that applicant's mark is likely to cause confusion with SMART MACHINES for computer programs and program manuals all sold

as a unit.¹⁰ As noted in numerous decisions, a determination under Section 2(d) is based on an analysis of all of the facts in evidence which are relevant to the factors bearing on the issue of whether there is a likelihood of confusion, as set forth in **In re E.I. du Pont de Nemours & Co.**, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). In any likelihood of confusion analysis, two key considerations are the similarities between the marks and the similarities between the goods. **Federated Foods, Inc. v. Fort Howard Paper Co.**, 544 F.2d 1098, 192 USPQ 24 (CCPA 1976).

Turning first to the goods, we find that they are, in part, legally identical. The registrant's computer programs, being unlimited as to their nature or purpose, must be deemed to encompass the more specifically identified computer software in applicant's application. Although applicant states that its computer software and hardware "are integrated to predict and communicate maintenance needs for industrial machinery," brief, p. 4, the issue of likelihood of confusion must be determined on the basis of the goods as they are set forth in the

¹⁰ As noted at the beginning of our opinion, the identification in the cited registration contains a typographical error. We will, in our discussion, refer to the relevant goods as "program manuals," rather than "programs manuals."

application. **In re Dixie Restaurants, Inc.**, 105 F.3d 1405, 41 USPQ2d 1531 (Fed. Cir. 1997). See also, **Canadian Imperial Bank v. Wells Fargo Bank, N.A.**, 811 F.2d 1490, 1 USPQ2d 1813 (Fed. Cir. 1987). Because applicant's and the registrant's computer programs are legally identical, they must be deemed to travel in the same channels of trade and be sold to the same classes of consumers.

This brings us to a consideration of the marks, keeping in mind that "when marks would appear on virtually identical goods or services, the degree of similarity necessary to support a conclusion of likely confusion declines. **Century 21 Real Estate Corp. v. Century Life of America**, 970 F.2d 874, 23 USPQ2d 1698, 1700 (Fed. Cir. 1992). Applicant's mark is SMARTMACHINE TECHNOLOGIES, and the cited mark is SMART MACHINES. Obviously, applicant's mark begins with the same words as the registered mark, the only difference being that applicant's mark depicts the words without any space between them, and uses the singular form of MACHINE. However, consumers will still readily recognize SMARTMACHINE as being the telescoped words SMART MACHINE, and the absence of a space or the "S" in MACHINE certainly does not distinguish the marks. Nor does the additional word TECHNOLOGIES in applicant's mark. Although we have declined to find that applicant's mark

SMARTMACHINE TECHNOLOGIES is merely descriptive, the record shows that the word TECHNOLOGIES is of little source-identifying significance. In particular, the numerous third-party registrations which contain the word TECHNOLOGY or TECHNOLOGIES, and are for computer programs or computer software, show that TECHNOLOGIES is, at the very least, a highly suggestive term for such goods. As a result, consumers are not likely to look to the word TECHNOLOGIES to distinguish applicant's mark from the registrant's; they are far more likely to regard SMARTMACHINE TECHNOLOGIES, used on computer software for predicting and communicating maintenance needs for industrial machinery, as a variation of the mark SMART MACHINES used on the same goods.

We recognize that the only term in applicant's mark which is common to the cited mark is SMARTMACHINE, and this word has been shown to be, and has been acknowledged by applicant to be, descriptive of applicant's goods. We also recognize that the word SMART in the cited mark has been disclaimed. Although generally descriptive terms are given less weight when marks are compared in their entireties, in this case, because of the (at least) highly suggestive nature of the non-disclaimed words, we are not persuaded that MACHINE is the dominant part of the cited mark and

TECHNOLOGIES is the dominant part of applicant's mark, such that consumers will pay greater attention to these words in the respective marks. As the Examining Attorney has pointed out, when the marks are both used in connection with computer programs, "it is illogical to argue that MACHINES is weak in relation to applicant's mark and dominant in relation to the cited mark." Brief, p. 5. Further, although the words SMART MACHINE and SMART have been disclaimed in the respective marks, they still remain as part of the marks, and must be considered in determining whether the marks are confusingly similar. **Industria Espanola De Perlas Imitacion, S.A. v. National Silver Company**, 459 F.2d 1049, 173 USPQ 796 (CCPA 1972). Purchasers are not aware of disclaimers which reside only in the records of the Patent and Trademark Office.

Accordingly, because SMARTMACHINE is the first element of applicant's mark, and therefore will be immediately noticed, because this term is virtually identical to the cited mark, and because the additional word TECHNOLOGIES in applicant's mark is so highly suggestive that consumers are not likely to regard it as a strong indicator of source, we find that applicant's mark SMARTMACHINE TECHNOLOGIES is likely, when applied to goods which are in part identical to the goods identified in the cited registration, to cause

confusion with SMART MACHINES for computer programs and program manuals all sold as a unit.

Decision: The refusal of registration pursuant to Section 2(d) is affirmed; the refusal of registration pursuant to Section 2(e)(1) is reversed. Applicant has offered a disclaimer of the descriptive term SMART MACHINE which was rejected by the Examining Attorney solely because of the Examining Attorney's position that the mark as a whole was merely descriptive. In view of our decision herein reversing that refusal of registration, the disclaimer will be entered into the application.

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Bucher, Administrative Trademark Judge, concurring in part and dissenting in part:

We should affirm both of these refusals to register.

This record demonstrates that applicant specializes in integrating "smart machine technologies" into a wide variety of industrial machines. Applicant has developed diagnostic systems that can be customized for use by original equipment manufacturers that want to take advantage of state-of-the-art, predictive maintenance technologies. Sensors integrated into the machinery can detect, for example, changes in vibration, oil and wear

particles. Applicant touts the fact that when these advanced diagnostics are combined with expert systems, the resulting smart machine can communicate directly with on-site managers, expert mechanics, or even the machine's vendor at a remote location. It is appropriate then, that the dictionary definition of "technology" placed in the record by the Trademark Examining Attorney specifically highlights this 'application of science to industrial objectives.'

In a manner entirely consistent with the dictionary entry, applicant's own Web page is most instructive on the precise question before us: "SmartMachines™ technology can be integrated directly into your machines or sold as a warranty option."¹¹ The term "technology" appears in all

¹¹ Note, this usage also shows the mark as "SmartMachines" (plural). See "The Smart Machine" by Alan Friedman, at <http://www.predict-dli.com/frameset.html> .

(Particularly in light of the comments made by the majority concerning the absence of evidence in this case, *supra*, pp. 7 and 8, I do trust that in the future, Trademark Examining Attorneys will more regularly include with the final refusal printed copies of relevant pages of applicant's own Web site (and those of competitors), with citation-like references in the Office action to the specific URL's. This evidence is especially useful when demonstrating descriptiveness or genericness, uncovering the details of applicant's business niche, channels of trade and the specific nature of applicant's goods or services, etc. In fact, when searching out evidence relevant to many issues that arise under the Lanham Act, there is a plethora of good information available on the Internet that could and should be used to *supplement* our traditional, reliable sources of published materials from, for example, the LEXIS®/NEXIS® database.)

lower case letters befitting this generic term.

Furthermore, in addition to this quoted context, the term "technology" appears half-a-dozen times within the same Web page, in the ordinary, dictionary connotation of this noun. Not surprisingly then, applicant chose to use the phrase " ... hardware and/or *technology* ... " in its original identification of goods herein.

Moreover, if one reviews composite marks used in connection with similar goods in registrations already issued on the federal trademark register, it is manifestly clear that the term "technologies" (or just "technology") has no value as a source indicator as applied to computer software and/or hardware.

Applicant has conceded the descriptiveness of "Smart Machine," but claims there is something new in its composite mark. However, contrary to applicant's assertions, when applying the test for descriptiveness laid down in the majority opinion, no combination of these words (e.g., "smart machine technology," "smart machines technology," "smart machine technologies," etc.) requires any cogitation or contemplation as to what is involved.

We are considering use of this matter by an enterprise that touts its advances in friction, lubrication, and wear *technologies*, employs the expression "SmartMachinesTM

technology" in its own Web page, and earlier used the phrase "hardware and/or *technology*" in its original identification of goods in this very application. Yet, the majority finds that applicant's customers and competitors, upon first seeing the term "smartmachine technologies," will find the word "technologies" to be so "vague" and "amorphous" in the context of these particular, high-technology goods, that this composite is inherently distinctive.

In conclusion, I am satisfied from this record that the examining corps has been fairly consistent in finding the words "technology" and "technologies" to be merely descriptive of computer hardware and software. Despite the majority's holding herein, I trust that Trademark Examining Attorneys will continue with the long-standing Office practice of holding these terms to be merely descriptive in similar cases. This practice is consistent with logic and common sense, and should certainly reflect the law. I question whether dicta from a surname case should be expanded to decide a case like this one under Section 2(e)(1) of the Act. Cf. In re Hutchinson Technology, *supra*.